THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN) (a) As per the World Development Indicators, the proportion of people earning less than one dollar a day in India declined from 42.3 percent in 1993-94 to 34.7 percent in 1999-2000.

(b) As per the official estimates, the proportion of people living below the poverty line declined from 36 percent in 1993-94 to 26.1 percent in 1999-2000.

Reduction in assistance to States

†3809. SHRI JANESHWAR MISHRA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the Planning Commission is going to effect massive cut in the financial assistance to be provided to the States;

(b) if so, the details thereof;

(c) the extent to which the development of State and progress of schemes/projects would be affected thereby;

(d) whether the Planning Commission have conducted any study in this regard; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN) (a) and (b) On a like-to-like basis.Central Assistance for the Annual Plan of States has increased from Rs. 53,388.92 crore in 2004-05 to Rs.60,281.61 crores in 2005-06.

(c) Does not arise.

(d) to (e) As recommended by the Twelfth Finance Commission, with effect from 2005-06, the Central Government will not, as a general rule, be an intermediary in raising loans and on-lending them to the States for Plan financing. The State Government will be enabled to raise the plan loans directly based on authorization given by the Central Government.

Bringing down of Poverty Ratio

†3810. SHRI MANGANILAL MANDAL: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that several effective programmes are being

---

†Original notice of the question was received in Hindi.